

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 248** HLS 15RS 266

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 20, 2015	8:28 AM	Author: LAMBERT
Dept./Agy.: Motor Vehicles		Analyst: Matthew LaBruyere
Subject: Neighborhood Vehicles		

MOTOR VEHICLES OR INCREASE SG RV See Note
Authorizes the use of "neighborhood vehicles" on certain roads

Proposed law requires registration of a neighborhood vehicle with the office of motor vehicles (OMV) as an off-road vehicle and requires display of a decal issued by the OMV. Prohibits operation by an unlicensed driver. Proposed law requires appropriate liability insurance. Proposed law allows the Dept. of Transportation and Development or parish or municipal governments to prohibit the operation of neighborhood vehicles on roads under their jurisdictions. Proposed law defines a "neighborhood vehicle" as an electric four-wheeled vehicle originally intended for use off-road on golf courses and other green spaces whose maximum speed is 25 mph. Proposed law requires certain minimum safety equipment on neighborhood vehicles operating on the roadways and streets including signal lights, tail lights, break lights, reflectors, exterior mirrors, a safety glass windshield, wipers, a speedometer, an odometer, brakes for each wheel, seat belts, and a vehicle identification number.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

REVENUES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

EXPENDITURE EXPLANATION

The proposed legislation will result in an indeterminable increase in self-generated revenue expenditures for supplies associated with registering neighborhood vehicles. The proposed legislation notes that a decal will be issued by the Office of Motor Vehicles (OMV) upon registration of the neighborhood vehicle. OMV has indicated the cost for each decal is \$0.07. Since the exact number of neighborhood vehicles that will register is unknown, the number of decals that will be purchased by OMV is indeterminable.

The Department of Public Safety indicates the proposed law may require approximately 100 hours of overtime for the Office of Technology Services at an average cost of \$32 per hour (\$32 x 100 = \$3,200) plus associated Medicare expenses (\$3,200 x 1.45% = \$46), or a total of \$3,246 in personal services. The legislation will require changes to the Vehicle Registration System and programming changes to report insurance policy information to the Drivers Management System. The Legislative Fiscal Office believes that any additional IT work associated with this legislation will be incremental in nature, and that the Department can potentially accomplish these tasks utilizing existing resources and budget authority. To the extent that numerous pieces of legislation are enacted that require additional programming efforts, the Department may require additional resources.

REVENUE EXPLANATION

The proposed legislation will result in an increase in self-generated revenue as a result of neighborhood vehicles registering with the Office of Motor Vehicles. The exact increase is indeterminable since it is unknown how many vehicles will register with OMV and how many neighborhood vehicles exist in the state. For each neighborhood vehicle that is registered, the Office of Motor Vehicles would collect \$36.50 (\$10 registration fee + \$18.50 title fee + \$8 handling fee) every four years. To the extent an owner of a neighborhood vehicle has already paid a title and handling fee, the cost of registration would be \$10.

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| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

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